

Haggart, John

SPEECH

OF THE

HON. JOHN HAGGART

Minister of Railways and Canals,

Delivered in the House of Commons, May 7th, 1895,

In Reply to Sir Richard Cartwright.

A MASTERLY EXPOSITION OF THE GOVERNMENT'S POLICY.

On rising Mr. Haggart was received with rousing cheers. He said: Mr Speaker, before criticising the policy of the gallant knight from Oxford as laid down in the amendment which he moved, and before dealing with the statement of policy indicated by that hon. gentleman, I wish to correct a few of the criticisms in which he indulged in his reply to the magnificent statement made by my hon. friend the Minister of Finance. I think the gallant knight was not very good-natured in the criticism he offered. He said that without desiring to be discourteous the Finance Minister had performed a perfunctory operation, following a brief prepared by his department. Any hon. member who heard the candid and clear statement of the Minister of Finance must consider the remark of the gallant knight entirely uncalled for. The Minister of Finance has not had the educational opportunities enjoyed by the gallant knight from Oxford—he has not had the advantage of a legal education.

SIR RICHARD'S AUTOBIOGRAPHY

I now refer to a biography published in a book called "Both Sides of the Question" in which it is stated that the gallant knight from Oxford received in early life his education as a lawyer. Afterwards he turned his face to a calling more natural to him, and became a financier. This work further stated that he became an adept in finance. The gallant knight undertook the management years ago of the Commercial Bank, and no doubt there are many widows in different parts of the country who will remember that

institution with regret. Subsequently the hon. gentleman devoted his entire attention to the financial condition of the country and became, as that work stated, an adept in finance. Hon. members will also find in that work a description of the qualities and capabilities of the hon. gentleman. There may be some hon. members who are titular leaders of the Opposition, but the real leader according to the hon. gentleman's own opinion, is the gallant knight from Oxford. (Laughters and cheers). We have at last a policy propounded. The hon. gentleman criticised the Finance Minister on the score that there was in his speech an absence of reference to the National Policy.

THE GOVERNMENT'S POLICY.

I will state for the information of the House that the policy of the Government is the policy which was enunciated in 1873, and which has been followed down to the present time; that the Government is at present a Government in favour of protection, and it intends to follow that policy and to appeal to the people on that line. (Cheers). The gallant knight twitted the Finance Minister with having made no reference whatever to that policy. Did hon. members hear the gallant knight make any reference to dear departed ones, to commercial union, unrestricted reciprocity, continental free trade?

NEW OPPOSITION POLICY.

Now, however, we have a new policy, a tariff for revenue purposes only. We have at length obtained from hon. gentlemen opposite a statement of policy, and this

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policy of a tariff for revenue purposes only was explained by the hon. member for Queen's (Mr. Davies), who said in a speech delivered in the lower provinces that there were three kinds of tariff, a free trade tariff, a tariff for revenue purposes, and a revenue tariff. That hon. gentleman did not trouble to mention anything about a free trade tariff, because no country in the world has such a tariff. He spoke of what a revenue tariff was, compared it with a protective tariff, and he instanced as a revenue tariff, a tariff such as that in force in England, and it is such a tariff and such a policy that we are dealing with to-night. I venture to tell hon. gentlemen opposite that when the country comes to understand what a revenue tariff is, as explained by the hon. member for Queen's (Mr. Davies), and as it will be explained to the country from one end of it to the other before the general elections arrive, a tariff for revenue only will occupy the graveyard with the dear departed ones, unrestricted reciprocity and commercial union. (Applause). But before dealing with the question, as I intend to deal with it fully in the latter part of my speech, and instituting a comparison between the policy of the Government and the policy of the Opposition, let me deal with some of the statements of the gallant knight in his criticism of the Finance Minister's speech.

CANADA'S PRESENT CONDITION COMPARED WITH THAT OF 1878.

One of the statements was that he looked with alarm on the state of depression that existed from one end of the country to the other, that the country was in a more depressed condition than it was in 1878. The gallant knight does not seem to have listened to any of the opinions expressed outside; he does not seem to be aware that people all over the world, and especially on the other side of the line, have declared that Canada has weathered the storm of depression which has swept over the world better than any other country that can be mentioned. I will give the gallant knight some of the statements made to show him how this country has improved, and although it may, perhaps, be a little tiresome to deal with figures on this point, it is necessary I should do so in order to present to the country a comparison of the condition of the Dominion now as compared with 1878. I shall also show the hon. gentleman evidences of prosperity of the country. It

will be remembered that the gallant knight stated that deposits in savings banks did not afford evidence of prosperity. Let me quote from the hon. gentleman's speeches on that point. Perhaps he has obtained better light now than some years ago, when he declared that one of the tests of prosperity was the amount of deposits in savings banks. Let the hon. gentleman refer to any political economist, and he will find that strongest evidence of prosperity is to be found in the increased savings of the people as evidenced by savings bank deposits. (Hear hear). If the hon. gentleman has no faith in himself or in political economists, let him read the speech delivered by Sir William Harcourt, Chancellor of the Exchequer, delivered the other night in the English House of Commons, when, in referring to the depression which has spread over England, and mentioning the decrease which had occurred in exports, he declared that the country was sound, and that one of the best evidences was the increased deposits in the different savings banks. Undoubtedly that is one of the evidences of prosperity in a country, and in the Government savings banks of the Dominion we have striking evidence afforded by the savings of the people now amounting in deposits to the enormous sum \$297,000,000.

IMPORTATION OF RAW MATERIAL A TEST OF PROSPERITY.

Another test of wealth and prosperity is the amount of raw material imported into a country for the purpose of being manufactured. Let me make a comparison between 1881 and 1891 as regards the amount of raw material coming into Canada. Of wool alone in 1881, the import was 6,930,00 pounds; in 1891 it was 10,503,000 pounds; of cottons 8,011,759 pounds; in 1891, 40,263,333 pounds; of raw sugar, in 1881, 19,876,872 pounds; in 1891, 252,644,000 pounds. The same remark applies to hides, rubber, jute, veneers, hemp, raw silk, broom corn, there being an enormous increase in each of these articles. Now let me answer some of the criticisms in regard to the census which the hon. gentleman has so profusely indulged in this afternoon.

LARGE INCREASE OF INDUSTRIAL ESTABLISHMENTS.

The number of industrial establishments in the country in 1881 was 49,923, and in 1891 they had increased to 75,768. The capital invested 1881 was \$165,302,625, and

that has increased in 1891 to an invested capital of \$353,836,817. The number of employees in 1881 was 254,935, whereas the number of employees in 1891 was 367,865. The wages paid in 1881 amounted to \$59,429,002, and the wages paid in 1891 amounted to \$99,762,441. The cost of raw material—this is a true test, Sir, of the growth of the manufactures of this country, it is as true a test as possibly can be applied to the increase in a country's wealth—the cost of raw materials increased from \$179,918,593 in 1881 to \$255,983,219 in 1891. The value of products in 1881 was \$309,607,068, and that had increased in 1891 to \$475,455,705. Here is a table which gives correctly all these figures :

—	1881.		1891.	
	No.	\$	No.	\$
Number of establishments	49,923		75,798	
Capital invested		165,802,623		353,836,817
Number of employees	254,935		367,865	
Wages paid		59,429,002		99,762,441
Cost of raw material		179,918,593		255,983,219
Value of products		309,607,068		475,455,705

That ought to be a sufficient answer to the argument of the hon. gentleman.

THE METHOD OF TAKING THE CENSUS DEFENDED.

But the hon. gentleman went further and he criticised the mode in which the census was taken. Well, the census of Canada is taken precisely in the same manner as it is taken in most Anglo-Saxon countries in the world. If you go to the United States census you will find included there hundreds and hundreds of industries which have only one person employed in each, and I may say, that is the case in a great majority of them. The hon. gentleman could easily have found the increase of manufactures—even in his interpretation of the word "manufacturers" from our census, if he had taken the trouble to do so.

CANADA'S TRADE, FOREIGN AND INTER-PROVINCIAL.

Let us also judge by the total trade of the country how it has increased from 1878 to 1894. Notwithstanding the decreases in value of the present time, compared with the year 1878, our total trade has grown from \$153,000,000 in the latter year to \$240,500,-

000 in the year which has closed. (Loud cheers). Look at the interprovincial trade of Canada. Look at the immense trade which has sprung up in the different provinces of the country, a trade which has increased, as estimated, from \$2,000,000 in 1867, to \$125,000,000 in 1894. What an enormous increase is that. But the hon. gentleman (Sir Richard Cartwright) was not content with criticising the census, and although he did not refer as much as usual to it in his speech yet he adopted his old tactics of depreciating and decrying the country in which he lives.

SIR RICHARD'S ERRONEOUS ASSERTIONS.

Worse still, he was not correct in his statements. He said that the farming property in the province of Ontario had decreased in value to the extent of \$200,000,000; but, Mr. Speaker, what do you say to a statement of that kind when I tell you that there as been no decline whatever in that respect. On the contrary, Sir, there as been a gain of \$95,000,000 in ten years. Land has decreased but there has been an increase in buildings implements, and live stock. Let me refer the hon. gentleman to an authority which he will not deny; the authority of Mr. Blue, an officer of the Ontario Government and Sir Oliver Mowat's statistician.

Sir Richard Cartwright—He is much like your own statistician.

Mr. Haggart—Oh, then, we are to take the statement of the member for South, Oxford (Sir Richard Cartwright) with regard to everything that is going on in this country. According to him our statistician is at fault and so is the statistician of the Government of Ontario who has taken every means to find out the real facts and who has a staff at his command for the purpose of inquiring into them. Should we not better depend on such statistics than on those furnished by the hon. gentleman? Where are we to go for our statistics if not to duly accredited officials? What means has the hon. gentleman at his command for finding out what the real statistical condition of the country is? Are we to take his "ipse dixit," as to what the condition of the country is, and are we to reject the statement of the statistician? I am taking evidence such as is furnished in this country, evidence that cannot be controverted and it shows that instead of a decline in the farming operations and agricultural wealth of the country, it has increased from \$882,000,000 in 1882 to \$979,000,000

in 1892. (Loud Ministerial applause). If any other evidence is wanted of the progress of the country, of the commercial development of the country, and of the increased wealth of the country, the railway statistics show it.

**CANADA'S PROSPERITY AS EVIDENCED BY
RAILWAY STATISTICS.**

Let me make a comparison between the years 1878 and 1894 in this respect. There were 6,143 miles of railway in operation in the country in 1878, and there are 15,627 miles at the present day. The train mileage

run in 1878 was 19,669,447, and in 1894 it amounted to 43,670,029. The number of passengers carried in 1878 was 6,443,924, and in 1894 the number carried amounted to 14,462,498. The tons of freight carried in 1878 was 7,883,472, and in 1894 they amounted to 20,721,116. The earnings of the roads in 1878 amounted to \$20,520,078, and the earnings of the roads in 1894 were \$49,552,528. The working expenses in 1878 were \$16,100,102, and in 1894 they were \$35,218,433. The following table shows the facts:

YEARS.	Miles in operation.	Train mileage	No. of passengers.	Tons of freight.	Earnings.	Working expenses	Proportion of expenses to receipts.
1878.....	6,143	19,669,447	6,443,924	7,883,472	20,520,078	16,100,102	78
1894.....	15,627	43,670,029	14,462,498	20,721,116	49,552,528	35,218,433	71

The hon. member for South Oxford (Sir Richard Cartwright) paid a well deserved compliment to the Finance Minister as to the credit of the country, but he could not help that.

CANADA'S UNEQUALLED CREDIT.

The credit of Canada stands first and foremost of all countries in the world, except perhaps the mother land. Financial men who are the best judges of our resources and of the financial condition of the country, put our securities as high and higher than most of the other countries in the world. (Cheers.) We are higher than all the sister colonies and we stand higher than those friends of the hon. gentlemen in the republic to the south of us. Only to the mother country herself does Canada rank second. Our 3 per cent. securities are selling, if I am informed rightly, at between 99 and 100 in the London market. The hon. gentleman (Sir Richard Cartwright) criticised the borrowing of the

Finance Minister in the old country, and he told the Finance Minister that when he did commence borrowing he should have borrowed sufficient when he was at it. It was a mistake, said the hon. member for South Oxford, that the Finance Minister only borrowed \$10,700,000. Well, I remember a time in this House when the hon. member for South Oxford (Sir Richard Cartwright) did not take that course or make that criticism.

**SIR RICHARD CRITICIZES THE GOVERNMENT
FOR NOT BORROWING MORE MONEY.**

I remember when he blamed the Government for borrowing too much money, and, when not having means to apply it, of keeping it in hands. But now the hon. gentleman finds fault with the Finance Minister for a different thing altogether and he blames him for not borrowing enough. The hon. member (Sir Richard Cartwright) must know that the borrowing powers of the Finance

Minister are limited. If he had looked at the Supply Bill, 57-58 Vic., he would find that the borrowing powers for general purposes amounted to \$13,588,280.74. Now the loan made by the Finance Minister was for £2,250,000 or \$10,950,000 leaving a balance of \$2,638,280.74, which the Finance Minister retained for the purpose of guarding against possible contingencies, and which he retained in order to provide for what the hon. gentleman warned him that he did not provide for, namely, for the redemption of some of the loans which we have had from the savings banks throughout the country.

SIR RICHARD'S FAVOURITE MAXIM.

It is one of the favourite maxims of the hon. gentleman for South Oxford, to revile and run down the credit of the country. He stated that there was no provision for redeeming any portion of the \$40,000,000 which we have borrowed from the people of this country. That sum is for the purpose of providing for the payment of debt. Besides that, there is the sum of \$4,938,352 in specie and guaranteed sterling debentures, over and above what the law requires for the redemption of our currency. This amount is retained by the Government for the purpose of providing for a possible run on our savings banks, besides \$2,000,000 odd, which has been unissued. So that there is ample provision for the redemption of any amount that is likely to fall due; and the unexampled credit of the country would enable us, even if we had not this provision, to borrow at any time a sufficient sum for the purpose of redeeming any amount that we would likely be called on to pay. (Loud cheers.)

RAILWAY SUBSIDIES UNDER CONTRACT.

The hon. gentleman also criticised the statement of my hon. friend in reference to the liabilities of the country. He alleged that the statement I made in the House the other day, with reference to our liabilities on account of railway subsidies, did not correspond with the statement of the Finance Minister. My statement was that those liabilities amounted to nearly \$9,000,000, while the statement of my hon. friend was that we were liable for railway subsidies under contract to the extent of \$2,257,000, and that the probability was that there would be contracts involving a further sum of \$2,587,000, and he added that if these two sums were added together and deducted from the \$9,000,000 nearly, the remainder would probably not be called for by any

of the railways entitled to subsidies. That was a statement prepared by my department. I told the officers to go carefully into the matter, and the statement of my hon. friend was strictly correct.

THE FIRST-CLASS CONDITION OF THE INTERCOLONIAL.

The hon. member for South Oxford also stated that there was one liability which my hon. friend the Finance Minister made no mention of; that is, probable expenditure on capital account on the Intercolonial Railway. He stated that he had it on authority which it was not safe to disregard, that a large amount of capital might be required before many years to place the Intercolonial Railway in as good a position as it was in a few years ago. I can assure the hon. gentleman that my instructions to the general manager are that he shall at all hazards maintain the road and its equipment in the highest possible state of efficiency. That was the first duty imposed upon him. I told him that his first duty after that was to make the expenditure and the receipts as nearly as possible balance. He was not to enter into any unnecessary improvements; he was to look after the proper conduct of the officials; he was to see that the utmost economy was practiced in every branch of the railway; and I have the authority of the general manager for stating that the road and its equipment are to-day in at least as good a condition as they have ever been. I do not claim a great deal of credit for this state of things, beyond the credit of insisting on the officials of the road carrying out their instructions to the very letter. I have also his authority for stating that the road has as excellent an equipment as any road on the continent of America; and I can state for the information of the hon. member for South Oxford that he need have no fear that any degradation of the road and its equipment will necessitate any expenditure on capital account for a number of years to come. (Cheers.) I have been enabled during the past year to save the sum of \$65,000 principally in oil, fuel and repairs to cars, by the strictest economy; and I can gratify the hon. gentleman by stating, notwithstanding the severity of the year and the consequent extra expenditure required for running the road, that this year like last year, the Intercolonial will come out with a slight surplus. Do not misunderstand me when I say that; I do not expect to need

anything on capital account. There are some expenditures which will be absolutely necessary. Some expenditures may be required to enable us to meet the increased business of the road; but these will be principally terminal expenditures, I regret to say that during last summer we suffered great losses from fires on the Intercolonial. At Halifax the elevator and a great part of the station were burned, and at Rivière du Loup the station was burned. These two items alone involve losses amounting to nearly \$325,000. So the hon. gentleman, in his criticism of my hon. friend's Budget speech, might have omitted altogether his reference to the probability of large sums being required to restore the Intercolonial to the state of efficiency that existed under his regime.

THE CHIGNECTO AND HUDSON BAY RAILWAYS.

The hon. gentleman stated that my hon. friend had not mentioned the claim of the Chignecto Railway as a liability of the Dominion. The statutory time for the payment of the subsidy to that railway has expired; the contract has not been performed. If any arrangement should be made by the Government in the future for the purpose of continuing the work, the House of Commons and the people of Canada will be fully informed of it; and the hon. gentleman, instead of classing it as a probable liability, should wait till the time arrives when he can properly so consider it. I may say the same with reference to the Hudson Bay Railway. That question will be dealt with on its merits, and the members of this House will have a full opportunity of considering any expenditure which the Government think advisable to make for the purpose of building that road. I would like to hear the hon. leader of the Opposition state what his policy is in reference to that road. (Hear, Hear). He was at Winnipeg, and in various other parts of the North-west country, and I have no doubt he was asked what he intended to do in reference to that matter. If I remember correctly one of his speeches there on the subject, he did not exactly promise the construction of the road, but he said that he considered it of the gravest importance to the people of that portion of the country, and that if he obtained power he would order a commission to inquire into the necessity of the undertaking.

THE LIBERAL PARTY OF 1873-78 NOT BOUND BY OBLIGATIONS OF THEIR PREDECESSORS.

The hon. gentleman, in speaking of the extraordinary expenditures which his Government were obliged to assume from 1873 to 1878 as liabilities imposed upon them by the Government of Sir John Macdonald, asserted that they had to provide for \$60,000,000 of liabilities, involving, at 5 per cent, an expenditure of \$3,000,000 a year. The policy of the Government of Sir John Macdonald might have been reversed; but the hon. gentleman approved of that policy. It is true contracts were let on some of the works, but the moment the hon. gentleman and his friends came into power they cancelled every contract. Afterwards, they changed their policy and re-let the contracts, and I would like to have the pleasure of showing to the hon. gentleman in what manner they re-let them. Did they let them to the lowest tenderer? No; they picked out their particular friends, and to them they awarded the contracts. The hon. gentleman disdains paying any attention to the statistical authorities in the country. Of Mulhall he thinks nothing; Johnson, he ridicules; the statistician of the Ontario Government he treats with contempt; and on his own authority alone, he ventures to make a most extraordinary statement with reference to what our people owe to foreign investors.

SIR RICHARD'S EXTRAVAGANT CALCULATION.

That a gentleman who left his legal practice to devote himself for the rest of his days to the investigation of financial affairs should make the statement that we are paying interest to the extent of \$30,000,000 per year to foreign investors, is something one finds it difficult to realize. I have not the statistics to prove the contrary, but I need only mention the amount that its absurdity may be patent to any one at all conversant with the subject. (Hear, hear). Let the hon. gentleman go to the bankers and the loan societies, and the other capitalists whose business it is to keep themselves cognizant of all these matters, and repeat to them this extraordinary statement, and he will find that whatever reputation he may be credited with as one having some knowledge of the financial condition of the country will vanish in their estimation. The hon. gentleman states that the depreciation in securities in this country exceed £16,000,000 sterling and he referred with approval to the opinion of the London "Economist."

SIR RICHARD DEFAMES CANADA IN THE
LONDON "ECONOMIST."

But every hon. member knows that the London "*Economist*" is gifted with a peculiarly biased correspondent from this section, and we all remember the graphic production which appeared in that paper a couple of years ago from the pen of the right hon. gentleman, in which he described, in the most gloomy periods, the system of taxation in this country, and how oppressively it bore on our agriculturists. After further reference to the "*Economist*," the hon. gentleman called our attention to the organ of the Patrons, the "*Farmers' Sun*." Well that has been particularly severe in its criticisms on the right hon. gentleman himself. I myself, am of opinion that these criticisms were untrue, and I should advise the right hon. gentleman to look upon that newspaper's opinion as to the state of the country with the same suspicion as we are both disposed to give its comments on the hon. gentleman himself.

SIR RICHARD REFUSED MEMBERSHIP IN A
PATRON LODGE.

I do not know whether the hon. gentleman has adopted the principles of the Patrons, or whether the Patrons have adopted the policy of the hon. gentleman or whether the Protestant Protective Association have taken up both or either of them, or they have adopted the Protestant Protective Association's. But whether they have agreed to disagree, or the reverse, the hon. gentleman was sufficiently enamoured of their society to become a candidate for membership of the Patrons of Industry.

Sir Richard Cartwright—Will the hon. gentleman give his authority?

Mr. Haggart—Does the hon. gentleman deny it?

Sir Richard Cartwright—Certainly.

Mr. Haggart—I will be prepared later to give my authority.

Sir Richard Cartwright—The hon. gentleman has made the statement. Let him now produce his authority, or withdraw it.

Mr. Haggart—I will accept the hon. gentleman's denial at present that he never was an applicant, but he was proposed in a Patron lodge, and refused admission. Fancy the right hon. gentleman from South Oxford sitting in a Patron lodge and striving to reconcile their policy with his, or square his policy with theirs. (Laughter.)

DEPRECIATION OF VALUES LESS IN CANADA
THAN IN ANY OTHER COUNTRY.

He then went on to speak of the depreciation in values in this country. But let us compare the losses in this country with the losses on the other side. It is true that there has been a depreciation of securities of all kinds in this country, but it is slight in comparison with the depreciation in the neighboring country, and other countries of the world. It may be true, as the *Economist* says, that the depreciation in this country in railway investments amounts to £16,000,000, but let me direct attention to the railway losses in the United States. Seventy-six railways, or one-third of the total railway mileage of the United States, were placed in the hands of the receiver last year. These aggregated a capital of \$1,758,000,000. Twenty-three railways were sold under foreclosure, representing a capital of \$79,924,000. I could refer the hon. gentleman to the sister colonies, to England itself, to Belgium, to France, to Spain, Italy, and a host of other countries to show that the depreciation in Canada has been much less severely felt; and that I maintain is due to the fiscal policy of this Government. (Applause.) The hon. gentleman is very fond of making comparisons,

EXPENDITURE OF 1878 AND 1895-96 COM-
PARED.

The expenditure of the hon. gentleman in 1878 was in the neighborhood of \$24,000,000. The estimated expenditure for 1895-96 is \$36,834,000, or a difference of a little more than \$12,000,000. That is the difference in the expenditure between 1878 and 1895. I wish to find out from the hon. gentleman, after I have explained each item of this expenditure, how he is going to economize. The debt charges, interest and sinking fund, amount to \$4,600,000, every dollar of which the Opposition are just as much responsible for as the Government.

THE LIBERALS RESPONSIBLE FOR THE FOUR
PRINCIPAL ITEMS OF THE PUBLIC DEBT.

The items which constitute public debt are the expenditure on the Intercolonial Railway, \$44,000,000 or \$45,000,000, the amount of indebtedness of the different provinces assumed, the expenditure upon the canals, and the expenditure upon the Canadian Pacific Railway. Did not the hon. gentleman build most of the canals himself? Did not his party, when in power, consent to the building of the Intercolonial? As to the indebtedness of the different

provinces, was it not a compact with them, and was that not agreed to, universally, in this House? The total amount of that debt hon. gentlemen are responsible for. Will the hon. gentleman, or any of his friends, rise and criticise the figures of my hon. friend, the Finance Minister. Will they criticise the expenditure of \$45,000,000 on the Intercolonial? Was not the hon. gentleman and was not his party bound to that expenditure? Were not the Hon. George Brown and the other leaders parties to the compact with the provinces under which that road was to be built? Was not the assumption of the debt of the provinces one of the terms of confederation? Was not the expenditure upon the canals—a large portion of it made between 1875 and 1878—agreed to by hon. gentlemen opposite? And does the hon. gentleman object to the expenditure we made for the purpose of obtaining the Canadian Pacific Railway?

Sir Richard Cartwright—Very decidedly, I do.

Mr. Haggart—Then the hon. gentleman, I will venture to say, is the only man of that way of thinking on either side of this House. His party are as proud of that work as we are on this side of the House; and they know that it could not have been made for a less expenditure of money, or of land. The friends of the hon. gentleman tried to get contractors to build it for even more, and could find nobody to accept their terms. Therefore, I say that the debt of the country, which is represented by these four items, these gentlemen are as much responsible for as any member of the Government.

UNCONTROLLABLE ITEMS OF EXPENDITURE.

The additions to the debt since 1878-79 increased the expenditure on account of interest and sinking fund by \$4,600,000. If the hon. gentleman and his party come into power, must they not pay that amount? Then there are increases in the subsidies to provinces—\$800,000, and \$30,000 added the other day increased subsidy to Manitoba. These two items, on account of debt and provincial subsidies, hon. gentlemen opposite will certainly have to pay if they get into power. Then there are the increases in the earning departments of Government—Railways, Canals and Post Office.

INCOME AND EXPENDITURE ON RAILWAYS, CANALS AND POST OFFICE.

These increases amount to about \$4,000,000. The hon. gentleman knows that this is

a matter of book-keeping. Take, for instance, the Intercolonial. The total earnings are turned into the treasury of the country, and the total expenditures are covered by the Estimates passed by this House. With this item of \$4,000,000, added to the others, we have a total of \$9,400,000. The expenditure in 1878 was \$24,455,000. Add the increases I have given, and you have the smallest sum which gentlemen opposite, if they were in power, could expend in the administration of public affairs.

DETAILS OF THE EARNINGS DEPARTMENT OF THE GOVERNMENT.

Let me give the details of these increases in the earnings department. The Post Office expenditure in 1878 was \$1,720,000; the receipts were \$1,200,000; leaving a deficit of \$520,000. The Post Office expenditure in 1894 was \$3,517,000; and the receipts \$2,800,000; leaving a deficit of \$690,000—not nearly as much, in proportion to the receipts, as in 1878. The expenditure on the Intercolonial in 1878 was \$1,816,000; and the receipts were \$1,300,000; a deficit of \$516,000. In 1894 the expenditure was \$2,981,000; earnings \$2,987,000; a surplus of \$6,000. Take the details of the further additional expenditure, steamship subsidies, increased from 1878 to 1894 by \$147,000; quarantine, increased \$18,000; agriculture, increased \$165,000.

WHAT EXPENDITURE WOULD LIBERALS DO AWAY WITH?

Do hon. gentlemen opposite, if they get into power, intend to do away with our experimental farms? There was nothing of that kind in 1878. Is that one of the items in which they intend to decrease the expenditure? The administration of justice has increased \$205,000. Does not the hon. gentleman know that most of the expenditure for judges is fixed by the different provincial governments? They appoint the courts, and they state the number of judges they require; and does the hon. gentleman pretend to say that they can make any reduction in the administration of justice? Then there is an expenditure of \$258,000 for the government of the North-West Territories, for which the Mackenzie Administration had not to provide in 1878. The adulteration of food is \$19,000; steamboat inspection, \$12,000; fishery bounty and protection, \$280,000. Perhaps the hon. gentleman from Queen's, P.E.I. (Mr. Davies), when he takes the position of Minister of Marine and

Fisheries in a new Government, if he does not take the position of Minister of Justice, will be able to wipe out that expenditure altogether. He may do away with the cruiser protection service, he may wipe out the bounties to fishermen in different parts of the maritime provinces and thereby save an expenditure of \$280,000. All these items amount altogether \$10,504,000, leaving \$1,896,000 to be provided for according to our Estimates of the present year. Now, how is this made up?

NECESSARY EXPENDITURES SINCE 1878.

On Indians there is an expenditure of \$450,000 more than there was in 1878. Do you intend to reduce the expenditure upon Indians? Do you intend to shut up their schools? Do you intend to make any reduction in the expenditure in that section of the country? I venture to say that the hon. gentlemen, if they ever get to power, will be unable to make any reduction in the expenditure now made for the purpose of civilizing the Indians, making more moral the aboriginal inhabitants of the country whose land and territory we possess. It is a duty we owe to them, and every portion of the Dominion are willing to make a fair expenditure for this purpose. On penitentiaries we estimate \$138,000. Perhaps the hon. gentlemen will be able to strike that off. I am speaking on the supposition that they attain to power, but the probability of their doing so is very small.

SIR RICHARD NOMINATES HIMSELF FOR FINANCE MINISTER.

I remember the hon. member for South Oxford addressing a meeting up west when he assured his audience that if the Liberal party got into power he would be the Minister of Finance. I remember the contemptuous manner in which he spoke of his associates, stating that he would be a necessity in a Liberal Government for the purpose of conducting financial affairs, as he was now a necessity in Parliament for the purpose of criticising the lies which the Tory party were hurling from this side of the House. (Laughter.) He talked as if he were the only gentleman capable of doing it, and that if he were not elected to the House, there would be no other member of the party capable of criticising the Budget. We have heard the letter read by the hon. member for Middlesex yesterday, in which we are promised another.

PETER RYAN TO BE A LIBERAL CABINET MINISTER.

We are going to open South Renfrew, they say, and we are going to have Mr. Peter Ryan to run in that constituency. We have the assurance of the organizer of the party, or at least of some of the electors in South Renfrew, that Peter Ryan is to be in the next Government. It appears that Ontario is only going to have three representatives in the Cabinet, the Minister of Finance, Mr. Peter Ryan, and, perhaps, the third one will be the hon. gentleman who looks particularly after superannuations. (Mr. McMullen) There is \$156,000 in that item, Militia and Defence, \$480,000; Mounted Police, \$166,000, which is the increase above the amount expended in 1878. That is one of the items, I believe, they intend to strike off altogether, do away with the mounted police up in the Northwest, and then they will be able to reduce the expenditure by \$100,000. Then we have a total of \$1,390,000; add that to the amount above mentioned, and it still leaves a balance of \$586,000.

HOW THE ACCOUNT IS BALANCED.

That amount is the increase from 1878 to 1894, and the Geological Survey, Immigration, Dominion lands, Dominion Police and Legislation, will take that up. Now, the hon. gentleman says that if they get into power they will make a great reduction in the burdens of the people. The hon. member for South Oxford, I know, does not think so; I know he does not think that he can reduce the expenditure of this country beyond a small amount. The leader of the Opposition says it can be done, but I do not think he will be able to carry out his promises, if he ever gets a chance.

LIBERAL PLEDGES RENDER IT IMPOSSIBLE FOR THEM TO REDUCE THE EXPENDITURE.

Let me consider for a moment some of the promises of the hon. gentlemen, and the way they are going to reduce the expenditure. I challenge any hon. gentleman opposite who may address the House after myself, to give a statement of the particular items in which they intend to decrease the expenditure of this country, and show how they are going to levy the amount of money that will be needed. We remember that there was an interprovincial conference at Quebec some time ago, and I will just analyse some of the demands of that conference. The leader of the Opposition is bound in a sense by that conference, because

one of my hon. friends the other day read a letter from Mr. Mercier, then the leader of the Quebec Government, in which he stated, if I am not mistaken—at least the statement has never been denied in this House—that if the leader of the Opposition got into power he would carry out the pledge made by Mr. Mercier during the election, and give increased subsidies to the provinces. The result of fulfilling that promise will be to increase the subsidies to the different provinces to the extent of \$1,721,476. If these hon. gentlemen get into power that will be an additional annual charge upon the expenditure of this country. Carrying out that pledge, how is it possible for them to reduce the expenditure? If they do not intend to carry it out, let them stand up and say so. The people of the country demand that the Opposition should say whether they intend to carry out the resolutions passed by the Quebec conference, and approved by the leader of the Opposition, in case they get into power.

WHAT THE PREMIER OF P. E. I. EXPECTS FROM THE LIBERALS.

Let us see what is stated by Mr. Peters, the friend of the hon. gentleman from Queen's (Mr. Davis). He states openly in a speech down there that the hon. member for Queen's is Mr. Laurier's right-hand man, and if the Liberal party get into power, the hon. member for Queen's will have an influence with the Government such as no other man will have. He says there will be no direct taxation required from the people of the island, if Mr. Laurier gets into power; in other words, they will have more public works, the resolutions of the Quebec conference will receive an endorsement from the Government, and Prince Edward Island will receive \$70,000 more than it does at present. The hon. gentleman from Queen's will not say that if he and his friends get into power he would not give \$70,000 annually to Prince Edward Island. I will tell the hon. gentleman this, that his friends in Ontario could not support a policy of that kind; they dare not support any Government in power which would milk the Dominion to the extent of \$1,770,000 more, and if the Liberals had a majority of two-thirds of the Ontario members, the Government dare not support such a policy.

Mr. Davies, (P.E.I.)—Then you do not intend to give us that?

Mr. Haggart—So, for the purpose of my argument, there is this amount to be added to the expenditure of 1878, and also differ-

ent sums to carry out the promises made by the leader of the Opposition in regard to public works. Hon. gentlemen opposite criticise the Government for our lavish expenditure, not lowest expenditure, in their opinion, but corrupt and criminal expenditure.

INCREASED EXPENDITURE PROMISED BY LIBERALS.

But hon. gentlemen opposite have stated publicly that in regard to the North-West, Manitoba and British Columbia, the present expenditure is not sufficient, and it would be increased if they got into power. At Medicine Hat, Mr. Laurier said:

I am not a puritan or a saint, but simply a man, and I do not hesitate to say to you that in the west you need public works.

Mr. Gibson at Medicine Hat, said:

In the North-West the requirements are many. Your constituency has not got all it should have. You need a bridge.

At Vancouver, on September 13th, 1894, that hon. gentleman said:

He would say that the Liberal party was just as much in favor of legitimate public works as the Conservatives were. Any one sailing from Vancouver to Victoria could see where public money might be spent in improving the approach to the Terminal City's magnificent harbour.

Mr. Laurier, in his speech at Vancouver, said:

I agree with my friend Mr. Gibson, that perhaps there is something to do for this city yet. Perhaps it would be well to encourage and assist the energy of the people, and that the harbour of Vancouver might be improved with some public money. I can only reiterate what has been said by Mr. Gibson: That when we have a Liberal Administration at Ottawa, it will be the duty, it will be the pleasure of that Administration to favour any public work that is for the credit and benefit of the Canadian people, and it would certainly be for the benefit of Vancouver, and for the whole of Canada, that the harbour of this fair city should be made as accessible as it is possible to make it.

Mr. Laurier at New Westminster said:—Great works are required up on the Fraser River.

Mr. Laurier, at Winnipeg, on September 6th, 1894, ("Globe report") said:—

Mr. Laurier, in reply to a question from Mr. James, a prominent Patron of Industry, stated that because of the insufficiency of information in his possession, he had formed no opinion as to the feasibility of the Hudson Bay route, but he would favour the voting of considerable money in favour of a thorough investigation.

**THE LIBERAL PLEDGE TO P. E. I. ALONE
RENDERS IT IMPOSSIBLE FOR THEM TO
REDUCE ANNUAL EXPENDITURE.**

Hon. gentlemen opposite, as appears from their public utterances in the North-west, Manitoba and British Columbia, have promised considerable additions to the expenditure for public works, and also an expenditure for Prince Edward Island of \$1,771,000; and yet, notwithstanding the statement I have made, and the comparison I have instituted, showing the uncontrollable expenditure, hon. members opposite declare they would reduce the expenditure to the extent of \$5,000,000 per annum, the hon. member for Oxford puts the amount at \$3,000,000, and other members at \$1,000,000. I should like to hear an explanation from some hon. gentlemen opposite, and I suppose it will be made by the hon. gentleman who will follow me, how, when to the expenditure of 1878 there is added \$1,771,000, even omitting altogether the promises of additional public works made by the leader of the Opposition in different sections of the country, to show how hon. gentlemen opposite could submit a less expenditure than that asked by the Minister of Finance. I defy such a reduction to be made, and I do not believe a statement could be submitted to show it, one that would stand the test of investigation by financial men, as it would be criticised from one end of the country to the other. [Applause.] The expenditure of the country, as the hon. member for South Oxford (Sir Richard Cartwright) stated, is but slightly controllable—it is almost beyond the control of the Finance Minister. Yet hon. gentlemen opposite, in addressing the people continually state that the present enormous expenditure is due to the Conservative Government. I affirm that as regards the public debt, every man is responsible for it, and if hon. gentlemen opposite were in power tomorrow, they could not bring down an estimate of a less amount than the one submitted a few days ago. [Cheers.] Let me now discuss for a few moments the policy of the hon. member for South Oxford (Sir Richard Cartwright) as enunciated in his amendment.

THREE SYSTEMS OF TAXATION.

It is proposed to establish a system of taxation on the principle of a tariff for revenue only. I accept the definition given by the hon. member for Queen's (Mr. Davies), who declared that there were three systems of taxation, one is

free trade, another tariff for revenue only, and another a protective system. I am quoting from memory from the statement that the hon. member made, and if I am not right I shall be glad to be corrected. Free trade, he stated, was unattainable at present. There was, he said, no country in the world which had a system of pure free trade. The system which they had in England, he added, was a tariff for revenue purposes. But the goal of the hon. gentleman was to adopt a system similar to what they have now in England and to impose the incidents of taxation upon the people of this country. I tell hon. gentlemen opposite that they dare not state from one section of the country to the other that they intended to raise taxes in Canada the same as they do in England, (Loud cheers), I am taking the natural sequence of the amendment of the hon. gentleman in which he states that they intend to raise the taxes for revenue only, and the logical sequence of the statement of the hon. gentleman is, that that would be done by a system of taxation similar to that of England. I am not imputing any statement to the hon. gentleman, but I am drawing the deductions myself. Now let us see what is meant by "taxation the same as they have in England.

HOW THE REVENUE IS RAISED IN ENGLAND.

Mr. Speaker, I wish to draw your attention to the system of taxation they have in England. The customs taxation in England is raised on nine articles only, namely, tobacco, £9,948,809; tea, £3,418,162; rum, £2,335,147; brandy, £1,423,826; spirits, £668,921; wine, £1,921,052; currants, £113,994; coffee, £177,206; and raisins, £175,957; the whole customs taxes of England is levied on these articles. Do hon. gentlemen opposite propose that the customs taxation in this country will be raised on similar articles? No, Sir; the people of this country would not submit to anything of that kind. It is but to be mentioned and understood in Canada that such is the policy, and the people will have none of it.

**THE CUSTOMS' TAX OF ENGLAND FALLS MOST
HEAVILY ON THE POOR!**

In England the incidents of taxation do not fall on the rich as ought to be the case and bear lightly upon the poor. Does not the poor man in this country use as much tobacco as the rich man? Does not the poor man in this country use as much tea as the rich man, although it may be of an inferior quality? Does not he use as much

rum as the rich man? Perhaps he does not use as much brandy, perhaps more spirits, less wine, perhaps as much coffee and probably less raisins. The incidents of taxation upon the people of the country as it is known to be in England is a specific tax, or a tax per capita, upon the people. In England the poor man pays as much as the rich man does under their systems of levying the customs taxes. Do hon. gentlemen opposite intend to levy the custom taxes in Canada in a manner similar to what they are levied in England? I tell them that they dare not do any such thing. [Applause.] It may be asked why they levy the taxes in this manner in England, it must be remembered but then they correct it in another way. They correct it by the following taxes which are levied entirely upon the rich: The Probate Duty, the Legacy Duty, the Estate Duty, the Succession tax, the Deeds, the Receipts, the Bills of Exchange, the Patent Medicines (which perhaps do not fall so much on the rich) the licenses, the Companies Capital Duty, the Marine Insurance, other stamps. And then as other taxation, the Land tax, the House tax, the Income tax, which the poor man does not pay at all, and the Post Office tax which he, perhaps, pays less of than the rich man. They correct the levying of the taxation in England by a special impost upon the rich men of the country, but the customs tax is largely paid by the poor. In England there is a specific tax, or a per capita tax, and the people of Canada have only to understand the system and no Government in this country dare put on a tax such as that, nor dare they supplement it by a direct tax, such as the hon. gentlemen opposite propose to-day. [Applause.] Therefore, I state that if the policy of hon. gentlemen opposite means a system of taxation such as they have in that country, the people of Canada will not submit to it.

PROTECTION, THE POLICY OF THE CANADIAN PEOPLE AND THE AMERICAN CONTINENT.

The policy of the Canadian people has been declared again and again in favour of incidental protection to the manufactures of the country. [Cheers.] It is the policy of the American continent. Last session, or the session before, when the Democratic party got into power in the United States, hon. gentlemen were constantly vaunting "Oh, protection is gone forever, we are going to have continual free trade for ever, and if we get into power in Canada we shall have a system of free trade, levy the taxes directly,

and have reciprocal arrangements with the different countries of America. A more absurd statement was never made to an intelligent audience. [Hear! Hear!] If we were to have free trade in Canada, and allow the products of other countries of the world to enter free, what compensation would the people of the United States, or of any other country have for allowing our products to go into their country free. Such a proposition has only to be stated and understood to be laughed at by every intelligent people. [Loud applause.] Every one knows the great success of the Republican party of the United States at the last election, when the Democrats were swept out of office by a cyclone such as never struck any political party in the world. The people of the United States have declared in favour of a protective system, and a protective system must be the policy of this country for a number of years to come. For a number of years to come. Hon. gentlemen opposite have not now a word of grief over their departed ones, unrestricted reciprocity, commercial union and continental free trade.

FREE TRADE WILL BE LAID IN THE CEMETERY WITH UNRESTRICTED RECIPROCITY AND COMMERCIAL UNION.

The dear one which they have now taken to their bosom is a system similar to what it is in England, but I venture to say that the Liberal party themselves will see how ridiculous is their position in this respect, and that when they go before the country they will be hedging on the meaning of the word in the resolution. They will, no doubt, be telling to the manufacturers of this country that a tariff for revenue purposes means, perhaps, incidental protection to manufacturers, but they will not tell the true meaning of the word, and before long they will leave their policy of free trade, or the policy such as they have in England, in the cemetery with unrestricted reciprocity and commercial union, (Loud ministerial applause).

THE NATIONAL POLICY STILL THE WATCH-WORD.

The hon. member for Oxford (Sir Richard Cartwright) chaffed the Minister of Finance that he had not said a word about the National Policy. Well, the policy of the party has been defined by the resolutions of 1878, and is still stuck to, and approved of by the people of this country. That policy is to protect any manufactures which may be peculiar to the country, which may be

mean time in order to obtain that, the import upon the people may be in excess of what they could get it for from other countries. There is the promise to the people of this country that we will protect our manufactures, and the promise of the manufacturers is: we will give, after a time, the protected manufactures to the people at as cheap a price as they can be imported from any other country, (Cheers). Now, how have they carried out their promise?

NECESSARIES CHEAPER IN CANADA THAN ELSEWHERE.

The four or five principal articles manufactured in Canada are woollen goods, cotton goods, leather goods, manufactures of agricultural implements, and the different industries of which iron is the component part. What I state is, and I state it boldly, that for the same quality of woollen goods, the people of Canada receive for their money as fair value as they do in any other part of the world. Am I correct in that? Do they not get it cheaper than the people of the United States?

Some hon. members—Yes.

Mr. Haggart—I have heard the same statement made with reference to woollen and cotton goods. The test of the cheapness of cotton goods in the country is the ability to export them and put them into successful competition in a foreign market with similar goods from free trade countries. Is not that the test that they are being manufactured in the country as cheaply as they could be imported into the country?

Sir Richard Cartwright—What do you want of the tax, then?

Mr. Haggart—I will explain afterwards what we want of the tax. Let me get through with my argument, and I will tell you. I will admit openly that perhaps you may have to pay a little more for cotton goods.

SIR RICHARD ADMITS CANADIAN BOOTS AND SHOES TO BE THE CHEAPEST IN THE WORLD.

In regard to leather goods, I have the authority of the hon. gentleman himself, in a speech, which he delivered in Quebec, for stating that Canadian manufacturers make boots and shoes as cheaply as they are made in any other country in the world. (Loud cheers.) Are we not export-

the old country? Do we not send agricultural implements to Australia, New Zealand, and all other countries in the world, and sell them more cheaply than any other country? Do we not buy sugar in this country as cheaply as it can be bought in any other country? and it is all manufactured in the country. (Prolonged applause.)

THE IRON INDUSTRY.

There is one industry, the product of which I will admit at present costs more here than in other countries, that is, the iron industry. At present there is a bounty on iron, and we also impose a duty on iron coming into the country; but we say to the people of Canada: You are at present paying a little more for your iron goods; but the time will come and come shortly, when we shall be able to furnish you with iron goods manufactured in this country as cheaply as they are imported into the country.

HOW PROTECTION HAS PRODUCED CHEAP IRON IN THE UNITED STATES.

Let me, by way of example, show how the protective duty on iron has operated in the United States. In that country there is a customs duty of from \$5 to \$20 per ton on different kinds of iron and steel goods imported into the country. The hon. gentleman's argument is that that duty is added to the price at which the consumer could obtain the goods from outside countries, because the manufacturers in the country just keep the price up to the point at which the goods could be brought in plus the duty. But what has been the case in the United States? Notwithstanding the high duty imposed upon pig iron coming into this country, the people of the United States have pig iron furnished to them from Alabama and Georgia cheaper than it can be bought in any other country in the world. It is sold in Alabama and Georgia for a little more than \$6 a ton, while the customs duty is about \$5 a ton. Some of the manufacturers in the city of Toronto are able, notwithstanding our duty, to purchase pig iron in the Southern States and pay the duty and bring it to Toronto, in competition with English iron and iron from other countries.

AMERICAN IRON SOLD IN ENGLAND.

Not only that, but the Americans are sending pig iron from Alabama and Georgia to

What does the *Iron Age*, a paper published in London, state in reference to this matter? Owing to the competition of Germany and Belgium in the manufacture of pig iron, the iron manufacturers of Free Trade England have formed a combine, under which a certain percentage of the price obtained for every rail that is sold in England or in any other part of the world is paid to the German and Belgian manufacturers; and now the *Iron Age* states that they will be obliged to take another nation into the combine, because the people of the United States are sending their pig iron over to England to enter into competition with the English product. (Cheers.) What the advocates of the National Policy in this country say to the people of Canada is this:

WHAT THE NATIONAL POLICY WILL DO FOR IRON.

Protect our industries for a short time; it is true you will perhaps pay a little more for the article manufactured in the country; but the result will be that after a while you will get your iron here as cheap as you can any where else, because we have the coal or the natural gas with which to manufacture iron in the country; we have abundance of iron ore, and we have the authority of two of the most illustrious of our friends in the Liberal party in favor of protecting the iron industry of Canada; we have the leader of the Liberals in the province of Ontario bonusing an institution for the manufacture of iron in the city of Hamilton; we promise, as in the case of woollen, leather and cotton goods, agricultural implements, and other great industries of the country, that a judicious system of protection will, in a few years, result in the establishment of iron manufacturing, by which the skilled labour and the capital will be retained in the country, and the product will be sold to the consumer at as low a price as he can import it at from any other country. (Loud applause.) What is the reason, then, the hon. gentleman asks, why you put imposts upon cotton and woollen goods brought into the country? The reason is this. In a small country like this the duty does not prevent foreign goods coming in.

to manufacture goods as cheaply as they could be imported from the country which has the largest market and the largest manufacturing, and it is not necessary that foreign goods should be entirely prevented from coming in. The policy of this Government is that the protection granted should be placed at such a point as not to prevent all articles of the kind protected from coming into the country—why? For this simple reason, that the protection is a stimulus to cheap production. It improves the design; it increases the skill of the worker; it results in better machinery being used; and there is a certain amount of competition with foreign goods. (Cheers.) Moreover, we are enabled by the import duties to levy a certain amount of money for the purpose of carrying on the Government of the country. What would be the result, then, if the hon. gentlemen got into power?

THE RESULT OF THE SWEEPING AWAY OF "EVERY VESTIGE OF PROTECTION."

If, as they say, they will never rest content until they sweep away every vestige of protection in this country, such a catastrophe will happen to this country as might never happen to any country in the world. The whole manufacturing class would be swept away at one blow. (Hear, hear.) We would be left a purely agricultural country, and the history shows beyond cavil that a country without diversified industries is necessarily a poor one. They dare not do it, even should they get into power. If they should do it, their own following would receive such a correction from the electorate, from one end of the country to the other, that they would not remain in office a week. (Ministerial applause.) Is it possible that they would be so insane, if they should get into power, as to attempt to carry out the pledge they have made by a solemn resolution? We have heard the promises they have made with reference to commercial union and unrestricted reciprocity, and we know how quickly they changed front on these and other questions, so that we are justified in concluding that they will again be equal to the occasion. But God help this country if such a catastrophe should ever happen us as the sweeping away of every vestige of protection. (Hear, hear and cheers.) With



If it were not for the momentous consequences that hang upon the reversal of our present trade policy at this juncture we would unhesitatingly advocate a change of Government, as long tenure of office often leads to an abuse of power. The commercial life of the nation is passing through a critical period, and should be remembered that any radical change in our fiscal system might result in upheavals as disastrous as those which occurred in Australia and the Argentine Republic, and which shook the United States to its foundation. The introduction of a policy based on the broad lines of British free trade would be a fatal mistake, and might hurl us into a commercial pitfall from which it would take us years to emerge. It is too well known that if our protective barricade, which insures a home market for our manufactures, were removed, or even lowered to any great extent, the Americans would at once monopolize the home trade.

The "CANADIAN JOURNAL OF COMMERCE" speaking of the matter says: Canada has weathered the world-wide storm of commercial depression since the war says:

The manufacturers there (in the United States) have stocks on hand which are unsaleable. They are in great need of cash, and if Canada's market were now unprotected, there would be such an influx of American goods as would drown out the industries of this country like one burst from a reservoir. A calamity would bring the manufacturers of Canada into a financial and industrial plight than that in which the Americans are. The tariff, with all its faults, is demonstrating at this juncture more than it has ever done the value and the necessity of guarding our industries from slaughtering operations.